

Personal Accident Insurance

Developed for the Employees of
Indiana State University



Who Needs Personal Accident Insurance?

You do. Accident insurance can help you pay expenses if you or your spouse is seriously injured or killed in a covered accident. This coverage can help ensure that tragedy doesn't take both an emotional and a financial toll on your family. By purchasing this insurance product through your employer, you benefit from:

- ◆ Affordable group rates
- ◆ Convenient payroll deduction

Who Is Eligible For Coverage?

You — If you are an active, full-time, salaried employee regularly working 30 or more hours per week, you are eligible to elect insurance for you and your dependents on the first of the month following your date of hire.

Your Spouse* — You may elect coverage for a lawful spouse under age 70.

Your Children — You may elect coverage for your unmarried dependent children who are under age 19 (or under age 25 if they are full-time students). Children must be dependent upon you for support and maintenance.

No one may be covered more than once under this plan. If covered as an employee, you cannot also be covered as a dependent.

**For purposes of this brochure, wherever the term Spouse appears, it shall also include Domestic Partner. Your domestic partner is eligible for insurance if you have not been married to any person within the last 12 months and if he or she meets specific criteria stated in the Group Policy. You must have on file an affidavit (available from your employer) specifying the criteria for being considered a Domestic Partner under the group policy. Ask your Benefit Services Representative.*

How Much Coverage Can You Buy?

You — Accident coverage is available in amounts of 1, 2, 3, 4, 5, 6, 7, 8, 9 or 10 times your salary, rounded to the next higher \$25,000, subject to a maximum of \$750,000.

Your Spouse — You may elect spouse coverage of either 100% or 50% of the benefit amount you choose for yourself. Your spouse's benefit cannot exceed \$500,000.

Your Children — Each covered child's benefit will be equal to 10% of your benefit amount. The premium is the same regardless of the number of children covered. The benefit amount per child cannot exceed \$10,000.

You may need to request changes to your existing coverage if, in the future, you no longer have dependents who qualify for coverage. We will refund premium if you do not notify us of this and it is determined at the time of a claim that premium has been overpaid.

Your Monthly Cost

The rate per \$25,000 of coverage is \$.75 for Employee and \$.75 for Spouse, The rate per \$1,000 of coverage for Children is \$.055. If you would like to see for yourself how much your coverage will cost each month, follow these steps:

1. Pick the coverage you want — 1, 2, 3, 4, 5, 6, 7, 8, 9 or 10 times your salary;
2. Multiply your annual salary by the number and round your answer to the next higher \$25,000;
3. Divide your coverage by 25,000;
4. Multiply that number by \$.75 to get the monthly cost for employee coverage.

Example: An employee earns \$46,500 a year and wants a benefit amount equal to 5 times his or her salary:

$$\begin{aligned} 5 \times \$46,500 &= \$232,500 \\ (\text{rounded to the next higher } \$25,000 &= \$250,000) \\ \$250,000 \div 25,000 &= 10 \end{aligned}$$

$$10 \times \$.75 (\text{the rate for employee coverage}) = \$7.50 \text{ per month}$$

To determine the cost for child coverage at 10%, or for spouse coverage when selecting the 50% plan, multiply your coverage amount by .10 (10% child coverage) or .50 (50% spouse coverage), then divide by \$1,000 and multiply by the appropriate cost. Add the individual costs together to get your total cost.

Costs are subject to change. Benefit amounts cannot exceed \$500,000 for your spouse and \$10,000 for each child.

Benefit Reductions

When you reach age 70, your benefits will be reduced to 65% of the benefit amount selected; at age 75, 45%; at age 80, 30%, and at age 85, 15%. The benefit reductions apply to the benefit amount in force on the day before you reach the age specified in the reductions table. If you elect coverage for your family members, Accidental Death & Dismemberment benefits for your insured family members will be based on your selected benefit amount. Other plan benefits based on your selected benefit amount will be determined by this reduction schedule. Coverage for your spouse ends when he or she reaches age 70. These reductions also apply if you elect coverage after age 69.

A Valuable Combination of Benefits

Personal Accident Insurance helps protect you against losses due to accidents. A covered accident is a sudden, unforeseeable, external event, resulting directly and independently of all other causes, in a covered injury or covered loss that occurs while coverage is in force. To help survivors of severe accidents adjust to new living circumstances, we will pay benefits according to the chart below.

If, within 365 days of a covered accident, bodily injuries result in:	We will pay this % of the benefit amount:	
	You or Your Spouse	Your Children
Loss of life	100%	100%
Total paralysis of both upper and lower limbs, or Loss of any two: hand, foot or eyesight, or Loss of speech and hearing in both ears	100%	200%
Total paralysis of both lower limbs or both upper limbs	75%	150%
Total paralysis of arm and leg on one side of the body Loss of one hand or foot, or sight in one eye, or Loss of speech or loss of hearing in both ears	50%	100%
Total paralysis of one upper or lower limb, or Loss of thumb and index finger of the same hand, or Loss of all four fingers of the same hand Loss of all toes on one foot	25%	50%
Coma	1%	1%

If the same accident causes more than one of these losses, we will pay only one amount, but it will be the largest amount that applies.

Loss of a hand or foot means complete severance through or above the wrist or ankle joint. Loss of sight means the total, permanent loss of all vision in the eye. Loss of speech means total, permanent and irrecoverable loss of audible communication. Loss of hearing means total and permanent loss of the ability to hear any sound in both ears. Loss of sight, speech and hearing must be irrecoverable by natural, surgical or artificial means. Loss of a thumb and index finger, or four fingers, means complete severance through or above the metacarpophalangeal joints (the joints between the fingers and the hand). Loss of toes means complete severance through the metatarsalphalangeal joint. Paralysis means total loss of use, without severance, of a limb. This loss must be determined by a doctor to be complete and not reversible. Severance means complete and permanent separation and dismemberment of the limb from the body.

Additional Benefits

For Children Requiring Special Care

Personal Accident Insurance helps parents with children who survive severe accidents. If an insured child suffers a covered accidental injury, we will double the benefit amount, up to \$20,000. The chart shown reflects this additional benefit.

This increased benefit can help parents cope with the ongoing financial obligations associated with caring for children who require continued medical attention, rehabilitation services and a specialized educational environment.

For Comas

If you, your spouse, or your children are in a coma as a result of a covered accident, we will pay a coma benefit.

After the insured person has been in a coma for one full month, we will begin to make monthly payments of 1% of the covered person's full benefit amount. The chart shown reflects this additional benefit. We will make 11 monthly payments, provided the person remains in a coma during this period. If the person recovers, the payments will stop.

If the insured person dies while the monthly coma benefit payments are being made, or if the insured person remains in a coma after the 11 monthly payments have been made, he or she will be entitled to a lump sum payment equal to the full benefit amount.

Coma means a profound state of unconsciousness which resulted directly and independently from all other causes from a covered accident, and from which the Insured is not likely to be aroused through powerful stimulation. This condition must be diagnosed and treated regularly by a physician. Coma does not mean any state of unconsciousness intentionally induced during the course of treatment of a covered injury unless the state of unconsciousness results from the administration of anesthesia in preparation for surgical treatment of that covered accident.

For Furthering Education

The education benefit can give employees who sign up for coverage for their family members extra peace of mind if their children are enrolled in a school of higher learning.

- **For your children:** If you die in a covered accident, we will pay an extra benefit for each insured child who enrolls in a school of higher learning before he or she is 25. To help pay expenses, we will increase your benefit amount by 5% or \$5,000, whichever is less, for each qualifying child. This benefit is payable each year for four consecutive years as long as your child continues his/her education.

If there is no child who qualifies within one year of your death, we will pay an additional \$1,000 to your beneficiary.

For Training for Your Spouse

If you have elected spouse coverage, your spouse will receive educational reimbursement if he or she enrolls, within three years of your death in a covered accident, in an accredited school to gain skills needed for employment. We will pay the actual cost of this education or training program up to 5% of your benefit amount, not to exceed \$5,000.

Additional Benefits — cont'd.

For Wearing a Seatbelt and Protection by an Airbag

This benefit is payable if an insured person dies as a direct result of injuries sustained in a covered accident while driving or riding in an automobile*, while wearing a properly fastened seatbelt (or if the insured is a child, a child restraint as defined by state law). That person's death benefit will be increased by 10%, but not by more than \$10,000. If the insured person was also positioned in a seat protected by a properly-functioning and properly deployed Supplemental Restraint System** (Airbag), we will increase that person's death benefit by an additional 5%, but not by more than \$5,000.

Verification of the actual use of the seatbelt, and that the supplemental restraint system inflated properly on impact at the time of the accident, must be part of an official report of the accident, or be certified, in writing, by the investigating officer(s), and submitted with the claim.

If it is unclear whether the insured had been wearing a seatbelt, or that the person was positioned in a seat protected by a properly functioning and properly deployed airbag, the plan will pay a benefit of \$1,000.

**Automobile means a self-propelled, private passenger motor vehicle with four or more wheels which is of a type both designed and required to be licensed for use on the highways of any state or country.*

Automobile includes, but is not limited to, a sedan, station wagon, sport utility vehicle, or a motor vehicle of the pickup, van, camper or motor-home type. Automobile does not include a mobile home or any motor vehicle which is used in mass or public transit.

***Supplemental Restraint System means an airbag that inflates upon impact for added protection to the head and chest areas.*

For Victims of Crime

This benefit is payable if you are the victim of crime. If you suffer bodily injury or die as a result of a felonious assault, robbery, holdup, attempted robbery or holdup, kidnapping or attempted kidnapping while at work, we will increase the benefit amount by 10% but not more than \$10,000. The insured must provide a copy of the police report describing the felonious assault or violent crime before benefits will be paid.

When a covered felonious assault or violent crime requires that you be hospitalized, the plan will pay a benefit of \$100 per day, up to a maximum of 365 days per covered accident. The covered person must be under a doctor's care, and the hospitalization must begin within 30 days of the felonious assault or violent crime.

We will not pay benefits if you are assaulted by a fellow employee, or a household or family member, or for losses incurred when you commit a violent crime or felonious assault.

For Exposure and Disappearance

Benefits are payable if you suffer a covered loss due to unavoidable exposure to the elements as a result of a covered accident.

If your body is not found within one year of the disappearance, wrecking or sinking of the conveyance in which you were riding, on a trip otherwise covered, it will be presumed that you sustained loss of life as a result of a covered accident.

For Home Alteration and Vehicle Modification

Personal Accident Insurance pays an additional benefit if you or an insured family member require home alteration or vehicle modification due to injuries from a covered accident. For example: If, as the result of a covered accident, you are required to use a wheelchair to be ambulatory, we will pay reasonable and customary home alteration and vehicle modification expenses. The expenses must be incurred within one year of the date of the accident causing the loss, up to 10% of the benefit amount or \$25,000, if less.

This benefit covers alteration to the insured's residence or modifications to a motor vehicle that are certified by a physician to be necessary to maintain an independent lifestyle. Benefits will not be paid if the covered person required an adaptive device, or adaptation of residence and/or vehicle prior to the date of the covered accident. Home alteration and/or vehicle modification must be made by a qualified person and must be in compliance with all applicable laws and regulations.

For Rehabilitation

If you or your insured family member incur rehabilitative expenses within 2 years of the date of a covered loss, we will pay an additional 5% of the benefit amount, to a maximum of \$10,000, for each covered accident.

Rehabilitative expenses means any medical services, supplies or treatment, or hospital confinement that is necessary for physical rehabilitative training. Rehabilitative training must prepare the insured to return to his/her or any other occupation, be prescribed by and under the care of a doctor, and meet the generally accepted standards of medical practice.

Changing from the Group Plan to Individual Coverage

If this group coverage is reduced or ends for any reason except non-payment of premium or age, you can convert to an individual policy. No medical certification is needed. To continue coverage, you must apply for the conversion policy and pay the first premium in effect for your age and occupation within 31 days after your group coverage ends. Family members may convert their coverage as long as they have not reached the maximum age limitation. Converted policies are subject to certain benefits and limits as outlined in your certificate, should you become insured under the plan.

What Is Not Covered

Plan benefits are not payable if an injury or a loss results, directly or indirectly, from or is caused by, self-inflicted injuries or suicide, while sane or insane; commission or attempt to commit a felony or an assault; any act of war, declared or undeclared; any active participation in a riot or insurrection; bungee jumping; parachuting; skydiving; parasailing; hang-gliding; sickness, disease, physical or mental impairment or medical or surgical treatment thereof, or bacterial or viral infection, regardless of how contracted. (This does not include bacterial infection that is the natural and foreseeable result of an accidental external cut or wound, or accidental food poisoning.)

Benefits are also not payable if the loss occurs while the covered person is voluntarily using any drug, narcotic, poison, gas or fumes, except one prescribed by a licensed physician and taken as prescribed; while operating any type of vehicle while under the influence of alcohol (intoxicated is defined by the law of the state in which the covered accident occurred) or any drug, narcotic or other intoxicant including any prescribed drug for which the covered person has been provided a written warning against operating a vehicle while taking it; while the covered person is engaged in the activities of active duty service in the military, navy or air force of any country or international organization (this does not include Reserve or National Guard training, unless it extends beyond 31 days); traveling in an aircraft that is owned, leased or controlled by the sponsoring organization, or any of its subsidiaries or affiliates (an aircraft will be deemed to be "controlled" by the sponsoring organization if the aircraft may be used as the sponsoring organization wishes for more than 10 straight days, or more than 15 days in any year); flying in, boarding or alighting from an aircraft or any craft designed to fly above the earth's surface, except as a passenger on a regularly scheduled commercial airline; that is: an ultra-light or glider; designed to be used in outer space; being used by any military authority, except the Air Mobility Command or its foreign equivalent; being flown by the covered person or in which the covered person is a member of the crew; being used for parachuting, hang-gliding, crop dusting, spraying or seeding, giving and receiving flying instruction, fire fighting, sky writing, skydiving, pipeline or power line inspection, aerial photography, or exploration, racing, endurance tests, stunt or acrobatic flying, or any operation that requires a special permit from the FAA, even if it is granted (this does not apply if the permit is required only because of the territory flown over or landed on).

In addition, benefits will not be paid for services or treatment rendered by a physician, nurse or any other person who is employed or retained by the subscriber or who is providing homeopathic, aroma-therapeutic or herbal therapeutic services, living in the covered person's household or a parent, sibling, spouse or child of the insured.

When Your Coverage Begins and Ends

Current employees can sign up during this enrollment period. New employees have 31 days from the date they become eligible to enroll. Coverage becomes effective on the later of the program's effective date, the date you become eligible, the date we receive your completed enrollment form, or the date you authorize any necessary payroll deductions. Provided the application has been received and the appropriate premium paid, dependent coverage will start when your coverage begins. If you are not actively at work, the effective date of your insurance will be deferred until you are actively at work.

For insurance for your spouse and/or children to become effective, he/she must not be an inpatient in a hospital, receiving chemotherapy or radiation therapy on an outpatient basis, confined at home and under the care of a physician for sickness or injury or totally disabled.*

Your coverage will continue as long as you remain an eligible employee, pay your premium when due, and we agree with your employer to continue this group policy. For your spouse and dependent children, coverage ends when your coverage terminates, when their premiums are not paid, or when he or she is no longer eligible, whichever occurs first.

** **Totally disabled** means, if the covered person is employed, he/she is unable to perform any work for which he/she is (or may reasonably become) qualified by education, training or experience. If the covered person is not employed, totally disabled means he/she is unable to perform all the activities of daily living without human supervision or assistance.*

Signing Up Is Easy

No medical examination is required to apply!

1. Choose the benefit amount and coverage option right for you.
2. Fill out the enrollment form and return it to your Human Resources Department.

Don't forget to...

Use the full name of your beneficiary. For example, use "Mary Jones Smith" not "Mrs. John A. Smith."

If you have any questions about the plan, please contact your Human Resources Department.

This plan provides ACCIDENT insurance only. It pays benefits for bodily injury. It does not provide coverage for sickness. This information is a brief description of important features of the plan. It is not a contract. Terms and conditions of coverage are set forth in policy OK-961638 on Policy Form No. GA-00-1000.00 issued in Delaware to the Trustee of the Group Insurance Trust for Employers in the Services Industry. The group policy is subject to the laws of the state in which it is issued.

The availability of this offer may change. Please keep this material as a reference.

*Coverage is underwritten by
Life Insurance Company of North America
1601 Chestnut Street
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